The Facts About the Y.M.C.A. Canteen in France

In answer to questions raised here and there regarding the canteen or post exchange which by arrangement with General Pershing's Headquarters has been conducted by the Y. M. C. A. in France, I requested Mr. Fred B. Shipp of Pittsburgh, who knows more about the facts involved than any other man in the United States, to submit a statement on the subject. This he has done in the following clear and convincing letter.

JOHN R. MOTT.

THE FACTS ABOUT THE Y.M.C.A. CANTEEN IN FRANCE

1254 Frick Annex, Pittsburgh, Pa.
October 30, 1918.

Dr. John R. Mott, Director General
United War Work Campaign
347 Madison Avenue
New York City

My Dear Dr. Mott:

The following statement, made in response to your request, is based upon my service with the Y. M. C. A. in France, covering the first year of America's participation in the war. During this time, as you will recall, I shared with Mr. Carter the general supervision of our work, serving most of the time as Treasurer, with a responsible relation also to other major executive affairs.

In the summer of 1917 the military authorities inquired as to how fully the "Y" was prepared to assume responsibility for Canteen service with the American Expeditionary Force. After several conferences with General Pershing's Headquarters, it was agreed that we should assume full charge of this service, including the purchase of stock in America, in Great Britain, in France, and in the neutral countries of Europe.

Bulletin No. 33, issued by General Pershing's Chief of Staff, stated that goods were to be sold at the several "Y" centers at purchase cost price, plus cost of transportation, with a slight margin added to cover goods lost in transit; that if any profit should arise, the "Y" would use it exclusively for the men of the Army; that these canteens would be operated under the general direction of the respective Army officers; and that the plan was designed to release enlisted men for direct military service.

A few of the men, accustomed to the Canteens operated by the Army, were not entirely pleased with this arrangement. Several "Y" leaders also felt that the plan had in it possibilities of embarrassment for the Association, particularly in view of the shortage of supplies under war conditions and of the scarcity and excessive cost of ocean transportation. When the Army Bulletin authorizing the arrangement was issued, however, we all entered heartily into the plan.

Unfortunately for the "Y," the ship carrying our first cargo of supplies was submarined off the French coast. Before another ship arrived, it was necessary in order to meet the demands of the men, to pick up in the cities and towns of France at retail war prices such small quantities of supplies as could be found. No profit was attempted on these high-cost goods and frequently they were sold much below the purchase price. Many of the soldiers, however, accustomed to pre-war prices at home,

could not understand what seemed like "high prices," and thus the charge of profiteering began.

About the time our first shipment from America arrived, the Quartermaster's Department also received a large stock of Canteen supplies which had been ordered before this service was turned over to the "Y." These goods were placed on sale to the soldiers at the few Commissary Sales Stores which the army had established and were sold at Government prices—cost at the factory in America, with nothing added for transportation. The contrast between these prices and ours, which included the heavy ocean transportation cost, again placed the Association in an unfavorable light, notwithstanding the fact that we added nothing for motor transportation or for overhead expenses.

The fact that one or two other organizations were, by agreement, allowed to furnish limited Canteen service at a few designated points, and that this service was usually free, established a precedent in the minds of some of the soldiers which they felt the "Y" should follow at its many hundreds of centers. While our free distribution of supplies on the front line in times of important actions aggregated considerably more than the free distribution of other organizations, the average soldier was impressed by the fact that most of the time he paid for his supplies at the "Y" Canteens, while on such special occasions as this other Canteen service was available to him, it was on a free basis. It was unfortunate that the plan provided in Bulletin No. 33 placed the Association in the position of being practically the only American agency in France dealing with the soldier on a commercial basis. Our extensive program of regular service to him, at the base ports, in the training areas, and in the front line trenches: for example, the furnishing of reading matter, writing materials, movies, concerts, theatrical entertainments, athletic supplies, and all else that goes with a "Y" hut or dug-out in France—all of it without charge—was obscured in the minds of many because we were also handling merchandise at what often appeared to them to be exorbitant prices.

A further occasion for misunderstanding with some is the fact that business is necessarily done with French money. In appearance the franc looks much like our twenty-five cent piece, and unconsciously one feels that it should have the same purchasing power. Its actual value, however, is about seventeen and a half cents. When used in one of our Canteens to purchase a standard article which until recently retailed at home for ten cents, but which now costs probably that much at wholesale, and to which increased cost the "Y" has added five cents for ocean transportation, it yields the soldier so little change that unless he takes all the facts into consideration, he feels he is being robbed.

We must also recognize that among the several thousand workers whom the "Y" has sent to France, there are necessarily some who are entirely unsuited to this service and although this kind of workers, after a fair trial are sent home, their stay is often long enough for them greatly to injure the Association, particularly when they are employed in Canteen

service. I am glad, however, to bear testimony to the fact that while most of our workers in France came to us without previous experience in Y. M. C. A. service, these lawyers, manufacturers, merchants, clergymen, college professors, and men and women from nearly every other walk of life in America, have in most cases "made good," and have performed an unselfish service for the welfare of the soldiers. A significant testimony to this is the fact that many of them have been wounded or gassed and that several, including two women, have lost their lives under enemy fire.

The cause, I believe, of a good deal of recent criticism has not been so much the prices charged as the fact that the "Y" in certain instances was unable fully to carry out its plan to provide free Canteen supplies to the men as they were going into action or as they were coming out. The reason for this was not a shortage of supplies, but the absolute inability to secure the necessary motor transportation. Over and over again, the Y. M. C. A. worker has found himself on the extreme front battle line with absolutely no supplies to give to the fighting and wounded men, while at the same time our stores back of the line were well stocked. Any one familiar with the motor transport situation in France during the past few months will immediately free the "Y" from responsibility in this matter. It is one of the inevitable results of the exceptional fighting activity of recent weeks.

I am greatly pleased to learn that the Canteen plan, provided for under Bulletin No. 33, is now being revised and that the new plan contemplates that the Army shall purchase these supplies and bring them to France, using the "Y" and other organizations as their agents for selling the goods to the men at Government prices and providing for free distribution by each of the organizations on a uniform basis to the men in the front line service. As you know, the leaders of the Association have been working for a long time to secure this arrangement.

The canteen business has grown to enormous proportions, and the Y. M. C. A. at no time underestimated its importance or difficulties. It is not strange that in such a vast enterprise, involving a turnover of many millions within the year, here and there have been incidents affording ground for just criticism, but the service is being constantly improved. The present General Manager, Alexander MacFayden, previously was General Manager of one of the largest chains of five and ten cent stores in this country. The accounts have been audited from the beginning by Price Waterhouse and Company. Assistant Secretary of War Keppel announced to the Senate Committee some weeks ago that the War Department had made a special investigation of the whole operation of the canteen by the Y. M. C. A. and had found that prices were based on actual cost, and that no profit had been realized. This has not been due to poor business management but to the fact that the service has been so rapidly extended to serve the soldiers regardless of cost.

Very truly yours,

FREDERIC B. SHIPP.